

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7281

BILL NUMBER: HB 1997

DATE PREPARED: Dec 30, 1998

BILL AMENDED:

SUBJECT: County regulation of well drillers.

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill creates an educational requirement for persons inspecting wells for a county.

Effective Date: July 1, 1999.

Explanation of State Expenditures: The bill requires the Department of Natural Resources (DNR) and Indiana Department of Environmental Management (IDEM) to provide educational seminars for county employees who inspect water wells for the purpose of enforcing county well drilling regulations or ordinances. The seminar must consist of 18 hours of instruction.

The number of counties to which the proposal will apply is unknown. However, based on a 1995 survey conducted by the DNR, at least 15 counties have ordinances that regulate water wells. According to the survey, the majority of the ordinances involved issuing permits for individual water wells. No information is readily available on which counties license well drillers and/or inspect wells. The degree of regulation varies from county to county.

DNR conservation officers inspect wells for compliance with well construction rules contained in 310 IAC 16. The DNR, however, does not inspect the pump or check water quality. County inspections may be more comprehensive than those conducted by the state.

Costs for training would depend on the nature and number of seminars held. Approximately 800 well drillers are licensed in the state. Ten- to fifteen-thousand wells are drilled annually. The number of drillers or inspectors who would be required to complete the training is unknown, but given the number of drillers and wells, more than one training session would be required, and training would probably be conducted at more than one location in the state, which would affect costs.

If the state agencies involved do not have the expertise to conduct all of the necessary training, additional staff or consultants may be needed. If the agencies hired additional personnel, in addition to expenses for salaries, the agencies would also experience expenses associated with office supplies. The minimum cost per agency is estimated at between \$30,000 to \$50,000.

The funds and resources required for the above could be supplied through a number of sources, including (1) existing resources not currently being used to capacity; (2) funds that otherwise would be reverted; or (3) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and/or administrative actions. There are no appropriations in the proposal.

Several states have a continuing education program for well drillers. Wisconsin reportedly has had a difficult time providing the expertise needed to keep the drillers "up to speed." Wisconsin now works with the state drilling contractors association to conduct the program. Costs for Indiana could decrease if the state worked with private organizations or associations to conduct the seminars.

Explanation of State Revenues:

Explanation of Local Expenditures: Local governments may experience an increase in expenses associated with providing training for the inspection of wells. The overall impact will depend on the number and nature of well drilling within each county.

Explanation of Local Revenues:

State Agencies Affected: Department of Natural Resources and the Indiana Department of Environmental Management.

Local Agencies Affected: Counties that regulate water well drillers and inspectors.

Information Sources: Jim Hebenstreit, Assistant Director, Division of Water, DNR (317) 232-4160.